



STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2016 / 2017 SESSION

DOM5018 – OPERATIONS MANAGEMENT

(Diploma Students Only)

29 MAY 2017

9.00 am – 11.00 am

(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 8 pages with 3 sections.
2. Answers for **Section A** and **B** should be shaded on the OMR sheet provided.
3. For **Section C**, please write your answers in the answer booklet provided.

SECTION A: MULTIPLE CHOICE QUESTIONS**Each question carries 1 mark.**

1. Production is the creation of _____ and _____.
 - A. product; services
 - B. goods; services
 - C. services; productivity
 - D. goods; productivity

2. The essential function of _____ is to generate demands.
 - A. operations management
 - B. finance
 - C. marketing
 - D. maintenance

3. Which of the following is NOT one of the functions of operations management?
 - A. Staffing
 - B. Planning
 - C. Organising
 - D. Scheduling

4. Which of the following service is the BEST example of pure services?
 - A. Car wash.
 - B. Banking.
 - C. Consultation from a doctor.
 - D. Toyota Manufacturing.

5. Which of the following country is always referred as the role model for inventory management?
 - A. Malaysia
 - B. Japan
 - C. China
 - D. Germany

6. _____ refers to transfers activities that traditionally been internal to external suppliers
 - A. Import
 - B. Export
 - C. Joint venture
 - D. Outsourcing

Continued...

7. _____ is the action plan to achieve mission.

- A. Strategy
- B. Competitive advantage
- C. Market approach
- D. Activist approach

8. Which of the following **DOES NOT** represent a reason for globalising operations?

- A. Reduce costs.
- B. Reduce responsiveness.
- C. Improve the supply chain.
- D. Attract and retain global talent.

9. What is the forecast for May using a four-month moving average?

Nov.	Dec.	Jan.	Feb.	Mar.	April
32	36	40	42	48	46

- A. 44
- B. 38
- C. 46
- D. 34

10. _____ forecasts are concerned with rates of technological progress, which can result in the introduction of exciting new products, requiring new plants and equipment.

- A. Sales
- B. Economic
- C. Technological
- D. Finance

11. _____ method are used when the situation is vague and little data exist.

- A. Quantitative
- B. Qualitative
- C. Moving average
- D. Delphi

12. Forecast for new product development usually required a _____ forecast.

- A. short-range
- B. medium-range
- C. long-range
- D. intermediate-range

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13. _____ describes the ongoing process of continuous improvement.

- A. Taguchi
- B. Kaizen
- C. Total quality management
- D. Zero defects

14. "Making right at the first time" is the definition of quality from _____ based.

- A. user
- B. manufacturing
- C. product
- D. customer

15. In service quality, _____ refers to the consistency of performance and dependability.

- A. courtesy
- B. reliability
- C. security
- D. competence

16. Which of the following shipping method most likely to provide the fastest shipment?

- A. Trucking
- B. Waterways
- C. Railroads
- D. Air freight

17. A mango juice cafe has bought over a mango farm from its supplier is practicing a _____.

- A. joint venture
- B. forward integration
- C. backward integration
- D. Keiretsu network

18. When YY Automotive and Swiss Automotive shared resources to develop standardise car components that fits for both, this strategy is an example of _____.

- A. few suppliers
- B. joint venture
- C. vertical integration
- D. Keiretsu network

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19. Which of the following would **NOT** generally be a reason for a firm to hold inventories?

- A. To minimise holding costs.
- B. To take advantage of quantity discounts.
- C. To provide a stock of goods that will provide a selection for customers.
- D. To hedge against inflation

20. _____ refers to inventory that has been purchased but not processed.

- A. Finished goods
- B. Work-in-progress
- C. Raw materials
- D. Maintenance

[TOTAL 20 MARKS]

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SECTION B: TRUE/FALSE QUESTIONS**Each question carries 1 mark.****Shade "A" for TRUE statement and "B" for FALSE statement.**

21. The objective of layout strategy is to develop an effective and efficient layout that will meet the firm's competitive requirements.
22. In a supermarket, high-draw items should be placed around the periphery of the store.
23. Process-oriented layout would be the best layout for bulky projects such as ships making.
24. Manufacturers pay slotting fees to retailers to get the retailers to display their products.
25. In product-oriented layout, both fabrication and assembly line must be balanced so that the time to perform the work at each station is same.
26. The time between the arrival of raw materials and the shipping of the finished order is called idle time.
27. Just-in-time (JIT) emphasises continuous improvement, respect for people, and standard work practices in an assembly-line environment.
28. Ohno had identified overprocessing as one of the seven wastes.
29. Kanban is the Indonesian word for card, it is a card of authorisation for the next container of material to be produced.
30. Supplier partnerships exist when a supplier and purchaser work together to remove waste and drive down costs.

[TOTAL 10 MARKS]**Continued...**

SECTION C: STRUCTURED QUESTIONS**Answers ALL questions.****QUESTION 1**

- a) Explain **FOUR (4)** stages of the product life cycle. Provide an example of service (in Malaysia) that falls into each stage. (8 marks)
- b) List **TWO (2)** examples of product that falls under time-based competition. (2 marks)
- c) List **FIVE (5)** production documents that are commonly used by firms. (5 marks)

QUESTION 2

- a) State **TWO (2)** examples for each of the following industry on how technology has impacted its operations.
 - i. Hotels (2 marks)
 - ii. Transportation (2 marks)
 - iii. Airlines (2 marks)
- b) Differentiate design capacity and effective capacity. (4 marks)
- c) BB College has the facilities to handle an enrollment of 2,000 new students per semester. However, in an effort to limit an appropriate class size, the Director had placed a limit of 1,500 new students. Due to limited manpower, the schedules allowed only 1,450 new students.
 - i. How much is the design capacity? (0.5 mark)
 - ii. How much is the effective capacity? (0.5 mark)
 - iii. Compute the utilisation rate. (2 marks)
 - iv. Compute the efficiency rate. (2 marks)

Note: State your answer in TWO (2) decimal points for part (iii) and (iv).

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QUESTION 3

Alfred is planning to set up a drive-thru photocopy service in Bukit Beruang. As an Operations Manager,

- a) Do you think that Bukit Beruang is an optimum location for this business? Justify your answer. (2 marks)
- b) Explain to Alfred **SIX (6)** strategies in choosing an optimum location for a service firm from operations management's perspective. (6 marks)
- c) State **FOUR (4)** reasons why location is an important decision. (4 marks)
- d) Alfred is unsure about labor planning policies, briefly explain **TWO (2)** types of labor planning policies that he can adopt for his business. (4 marks)
- e) What are the **FOUR (4)** types of work schedules that Alfred can adopt for his staffs? (4 marks)

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QUESTION 4**"MAS flight from Auckland delayed due to technical glitch"**

26 March, 2017, PETALING JAYA: A Malaysia Airlines plane that was scheduled to depart from Auckland for Kuala Lumpur at midnight Saturday has been delayed for 47 hours due to a "technical problem". The airline apologised on its Facebook page for the inconvenience caused to passengers who were left stranded at the airport in New Zealand because most nearby hotels had been booked out for a concert by English singer-songwriter Adele. Flight MH132 was initially rescheduled to 6.45am the same day, but was delayed even further, and is now only set to depart at midnight Monday. MAS said the aircraft required immediate replacements that were not available in New Zealand or Australia. "Safety is of utmost importance to Malaysia Airlines. The delay was necessary due to the grounding of the A330-300 aircraft to address the technical problem. "The aircraft requires immediate replacements of parts that are unavailable in New Zealand and Australia," it said in a statement on Saturday. It is not known how many travellers are affected, but an A330-300 aircraft can typically carry 277 passengers. MAS said it was working hard to accommodate all passengers. According to reports, the stranded passengers have been sleeping on chairs and benches at the airport. "Guests affected have been given meal vouchers. Malaysia Airlines is working hard to ensure all passengers are accommodated at nearby hotels," said MAS.

Source: <http://www.thestar.com.my/news/nation/2017/03/26/mas-flight-from-auckland-delayed-due-to-technical-glitch/#xZHCWhQzb8Vu0Zah.99>

- a) Based on the scenario above, which type of maintenance is required to solve the technical problem? Justify your answer. (3 marks)
- b) Apart from the answer in a), identify and explain another type of maintenance with an example. (3 marks)
- c) Explain how would the above breakdown affect MAS generally? State **FOUR (4)** aspects. (8 marks)
- d) Define Reliability. (1 mark)
- e) List **FIVE (5)** responsibility of employees in an autonomous maintenance. (5 marks)

[TOTAL 70 MARKS]

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